

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1249

STATE OF NEW JERSEY

DATED: MAY 10, 2010

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 1249.

This bill amends the "Special Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.25 et seq.) to require any eligible municipality to submit the budget of any housing authority, district management corporation, and municipal public benefit corporation within its borders for review by the Division of Local Government Services in the Department of Community Affairs as well as the State Comptroller. These documents would also have to be presented to a financial review board appointed to oversee and evaluate an eligible municipality's finances during periods of severe distress. The bill also requires any housing authority established by a municipality that is a recipient of Special Municipal Aid to transmit its budget to the State Comptroller and Inspector General. The bill requires the State Comptroller to conduct annual audits and performance reviews of every municipality receiving aid under the act. A municipality receiving aid must cooperate with the State Comptroller during the course of the Comptroller's audits and reviews.